

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

SECURITIES AND EXCHANGE COMMISSION,)	
)	
Plaintiff,)	
)	Case No. 4:12-cv-00080-CEJ
v.)	
)	
BURTON DOUGLAS MORRISS, et al.,)	DECLARATION OF
)	ROBERT J.A. ZITO IN
Defendants, and)	SUPPORT OF OBJECTION OF
)	AMEET PATEL TO MOTION
MORRISS HOLDINGS, LLC,)	FOR AUTHORIZATION
)	TO DISTRIBUTE FUNDS
Relief Defendant.)	

ROBERT J.A. ZITO, an attorney admitted *pro hac vice* to practice in this Court in connection with the matter referenced above, under penalty of perjury, declares as follows:

1. I am a partner in the law firm of Carter Ledyard & Milburn LLP, counsel for Ameet Patel (“Mr. Patel”). Mr. Patel is the former Chief Technology Officer of Acartha Group, LLC (“Acartha”) and is an interested non-party to this proceeding. I submit this declaration in support of Mr. Patel’s Objection to the Receiver’s Motion For Authorization To Distribute Funds Held By Integrien Acquisition, LLC and Integrien Acquisition II, LLC.

2. On or about July 8, 2005, Acartha hired Mr. Patel as its Chief Technology Officer, as memorialized in an employment agreement (the “Employment Agreement”) of even date. A true and correct copy of the Employment Agreement is annexed hereto as Exhibit A.

3. The Employment Agreement permitted Burton Douglas Morriss (“Mr. Morriss”), in his sole discretion, as Chairman of Acartha, to allow Mr. Patel “to participate in, and receive a

carry percentage with respect to, selected non-Fund investments by Acartha and its affiliates” Ex. A (paragraph 3(c)).

4. In or about March, 2009, Mr. Morriss granted Mr. Patel a carried interest with respect to Integrien Acquisition, LLC, as well as other Acartha-related investment funds, pursuant to Mr. Patel’s Employment Agreement. This agreement was memorialized in an email, dated March 19, 2009, from Wynne Morriss, Esq., Acartha’s General Counsel, to Douglas Morriss and Mr. Patel (the “March 19 Agreement”). A true and correct copy of the March 19 Agreement is annexed hereto as Exhibit B.

5. Although the March 19 Agreement recites that Mr. Patel was to receive a 40% carried interest, Mr. Patel has explained that parties intended the carried interest to him to be 37.5%.

6. The March 19 Agreement subsequently was confirmed and communicated to investors in a letter from Acartha, dated December 8, 2011, a true and correct copy of which is annexed hereto as Exhibit C.

7. The March 19 Agreement was honored when distributions were made to Mr. Patel in 2010 and 2011 and those distributions were reviewed and approved by UHY, the former accountants for Acartha.

Dated: New York, New York
May 16, 2013

/s/ Robert J.A. Zito
Robert J.A. Zito